

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

M/s. Lepakshi Knowledge Hub Private Limited, Bangalore – Establishment of an Integrated Global Knowledge Hub at Chilamattur and Gorantla Mandals, Ananthapur District – Extending certain incentives/concessions to M/s. Lepakshi Knowledge Hub Private Limited – Orders – Issued.

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INDUSTRIES AND COMMERCE (INF) DEPARTMENT

G.O.Rt.NO. 112

Dated:21-02-2009.

Read the following:

1. From the Managing Director, M/s. Lepakshi Knowledge Hub Pvt. Ltd., Lr.No. Nil, dated; 25.10.08.
2. From M/s. Lepakshi Knowledge Hub Pvt. Ltd., Letter, dated: 4.12.2008.
3. MoA, dated: 22.12.2008 between the Government & the Managing Director, M/s. Lepakshi Knowledge Hub Pvt. Ltd.

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**ORDER:**

The Managing director, M/s. Lepakshi Knowledge Hub Private Limited, a Bangalore based Registered company, has expressed intention to the Government to establish an Integrated Global Knowledge Hub in Chilamattur and Gorantla Mandala, Ananthapur District and submitted proposals to the Chairman & Managing Director, Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC). The Chairman & Managing Director, APIIC., has forwarded the proposal to Government for consideration. The Managing Director, M/s. Lepakshi Knowledge Hub Private Limited has informed in the reference 2<sup>nd</sup> read above that they are having strategic tie-ups with institutional investors, global universities, knowledge partners and research institutions to develop the knowledge hub. The Company and units coming up in the project shall invest about Rs. 8000 - 10,000.00 crores in a phased manner and proposed to provide direct and indirect employment for about 1,50,000 people on project completion. The Managing Director, M/s. Lepakshi Knowledge Hub Private Limited has requested Government for allotment of land, to extend concessions and fiscal incentives in order to establish/develop the knowledge hub.

2. The Government, after careful consideration have signed a Memorandum of Agreement on 22.12.2008 with the Managing Director, M/s. Lepakshi Knowledge Hub Private Limited to develop the project and set out the following obligations on the part of the company and the Government:

**Obligations of M/s. Lepakshi Knowledge Hub Private Limited:**

1. M/s. Lepakshi Knowledge hub Private Limited shall establish a World Class Global Knowledge Hub by providing integrated infrastructure support to University /clusters, Science & Technology Parks, Medical Parks, Aviation/Aerospace Parks, Agro Food Parks, IT/BT Parks, Theme Parks, Logistic Parks, Global Eco Theme village, business financial district, FTWZs, Energy Projects, Commercial, retail, residential and other support infrastructure etc., at Chilamattur and Gorantla Mandals, Ananthapur District supported and promoted by world class technocrats, planners etc.,

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2. The Lepakshi Knowledge Hub Private Limited and units coming up in the project shall invest approximately Rs. 8000 – 10,000 crores in phased in a span of 5 to 10 years. The investments would be either directly from the company or from its strategic partners.
3. The Lepakshi Knowledge Hub Private Limited shall provide direct and indirect employment for about 1,50,000 people from the State and the local people.

**Obligations of the Government of Andhra Pradesh:**

1. The Government shall take steps for allotment of the required land to the project through the APIIC at the rate per acre as fixed by the Government.
2. reimbursement of Stamp duty for the 1<sup>st</sup> transfer of lands allotted to the company.
3. the lands allotted to the company shall be exempted from the provisions of Section 18 (2) of the A.P. Land Reforms (Ceiling on Agriculture Holdings) Act, 1973.
4. to provide a training support incentive to the Lepakshi Knowledge Hub Private Limited at the rate of Rs.10,000 per person up to 50,000 persons belonging to A.P. State only to be employed in the industries to come up in the Lepakshi Knowledge Hub.
5. power shall be supplied to the units at a rate of Rs. 0.75 paise per unit on the power tariff as on 1.4.2005 as per the Industrial Investment Promotion Policy (IIPP) - 2005-10 from the date of commencement of commercial production. The Government shall ensure required power supply for the Lepakshi Knowledge Hub project during construction/implementation phase without any power cut/load restriction at the subsidized power tariff as mentioned.
6. The company shall bare the expenditure relating to relocation of existing electrical lines or removal of any impediments in setting up of the Knowledge Hub.
7. 5 MLD of water shall be made available by the APIIC at Hindupur (from Penna Ahobilam Balancing Reservoir- RWS Scheme) and the company shall lay a dedicated pipeline at their own cost from Hindupur to the project site as per the orders issued by the Irrigation & CAD Department. Initial water allocation of 0.20 TMC shall be made available from Kadiri through a pipeline to be laid at the cost of the company. Eventually, 1.20 TMC of water shall be supplied to the Lepakshi Knowledge Hub Company through Somasila Drinking Water Supply Scheme as already allocated for the project by the Government in Irrigation & Command Area Development Department.
8. Out of the proportionate capital cost of Rs. 150 crores, for the above water scheme, the Lepakshi company shall pay to APIIC Rs. 100 crores through capital cost contribution in (10) yearly installments and the balance amount of Rs. 50.00 crores shall be released by the Government from IIDF from the financial year 2009-10 in a phased manner.

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9. The Government shall constitute an Urban Development Authority/Special Area Development Authority under section 3 A of the A.P. Urban Areas (Development) Act, 1973 for the development of the project.
3. In addition to the above, the Government shall facilitate the company in obtaining necessary clearances, road and rail connectivity, etc., on best effort basis and as per the policies of the State Government.
4. The concessions/ incentives offered by the Government to the company are subject to the implementation of the project as per the schedule.
5. The Lepakshi Knowledge Hub Private Limited shall utilize the land allotted for the purpose to which it was allotted and in the event of any deviation, the land shall be resumed back to Government without any encumbrances whatsoever.
6. The Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Limited shall take necessary action on all the above issues with the respective Departments in Government on issue of necessary orders .
7. This order issues with the concurrence of Finance Department vide their U.O.No.936/28/Exp.I&C/09, dated: 22.1.2009.

[ BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH ]

B. SAM BOB  
PRINCIPAL SECRETARY TO GOVERNMENT AND  
COMMISSIONER FOR INDUSTRIAL PROMOTION

To  
The Chairman & Managing Director,  
A.P. Industrial Infrastructure Corporation Limited, Hyderabad.  
The Managing Director, M/s. Lepakshi Knowledge Hub Private Limited,  
L-9, Raheja Towers, 27, M.G. Road, Bangalore – 560 001.  
The Revenue (L.A) Department.  
The Revenue (Assignment) Department.  
The Revenue (Land Reforms) Department.  
The Revenue (CT) Department.  
The Energy Department.  
The Irrigation & Command Area Development Department.  
The Municipal Administration & Urban Development Department.  
The Transport, Roads & Buildings Department.  
The Infrastructure & Investment Department.  
Copy to:  
The Finance (Expr.I&C) Department.  
The Additional Secretary to Chief Minister.  
The PS to Minister for Major Industries.  
The PS to Principal Secretary to Government & CIP.  
Industries & Commerce Department.  
Sf/sc.

// FORWARDED :: BY ORDER //

SECTION OFFICER